GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

STARRED QUESTION NO:126
ANSWERED ON:27.10.2008
DISPARITY IN MINIMUM WAGES
Prasad Shri Hari Kewal;Vasava Shri Mansukhbhai D.

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the Union Government has constituted five Regional Committees in order to bring uniformity in the minimum wages in the country;

(b) if so,the details thereof;

(c) whether any suggestions or recommendations have been received from the said committees;

(d) if so, the details thereof alongwith the follow-up action taken by the Government thereon;and

(e) the concrete steps proposed to be taken by the Government for reducing disparity in the minimum wages?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of lok Sabha Starred Question No.126 for 27.10.2008 by Shri Harikewal Prasad and Mansukhbhai D.Vasava regarding Disparity in Minimum Wages.

(a) to (e): The Union Government has set up five Regional Committees in order to reduce the regional disparities in the minimum wages of same or similar scheduled employments.The regional disparity in minimum wages is attributed to differences in socio-economic and agro-climatic conditions,prices of essential commodities, paying capacity, productivity and local conditions influencing the wage rate.The composition of the five Regional Committees is as under:

Region	States/UTs covered
Eastern Region (6)	West Bengal, Orissa, Bihar, Jharkhand, Chhattisgarh and Andaman and Nicobar Islands.
North Eastern Region (8)	Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagalaind, Tripura and Sikkim.
Southern Region (6)	Andhra Pradesh, Kamataka, Kerala, Tamil Nadu, Puducherry and Lakshadweep.
Northern Region (9)	Punjab, Rajasthan, Himachall Pradesh, Jammu & Kashmir, Haryana, Uttar Pradesh, Uttrakhand, Delhi and Chandigarh.

Western Region (6) Maharashtra, Gujarat, Goa, Madhya Pradesh,
Dadra and Nagar Haveli and Daman and Diu.

The main function of these Committees is to interact periodically with the State/Union Territory Governments of the different regions, so as to deliberate on matter of regional interest as well as bridge the gap in the minimum wages of the same scheduled employment.

Further, in order to have a uniform wage structure and to reduce the disparity in minimum wages across the country,a concept of National Floor Level Minimum Wage was mooted on the basis of the recommendations of the National Commission on Rural Labour (NCRL) in 1991.On the basis of increase in the Consumer Price Index, the Central Government has recently revised the National Floor Level Minimum Wages from Rs.66/- to Rs.80/- per day with effect from 01.09.2007. Thus,the State Governments are persuaded to fix minimum wages such that in none of the scheduled employments, the minimum wage is less than National Floor Level Minimum Wage. This method has helped in reducing disparity among different rates of minimum wages to some extent.